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**Introduced by Senator Dunn**February 19, 2003

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An act to amend Section 3050 of the Vehicle Code, relating to vehicles.

## LEGISLATIVE COUNSEL'S DIGEST

SB 298, as introduced, Dunn. Vehicles: New Motor Vehicle Board: powers and duties.

Existing law requires the New Motor Vehicle Board to consider any matter submitted by any person concerning the activities or practices of any person applying for or holding a license as a new motor vehicle dealer, manufacturer, manufacturer branch, distributor, distributor branch, or representative. After that consideration, the board is authorized, among other things, to undertake to mediate, arbitrate, or otherwise resolve any honest difference of opinion or viewpoint existing between any member of the public and any new motor vehicle dealer, manufacturer, manufacturer branch, distributor branch, or representative.

This bill would make technical, clarifying changes in existing law.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 3050 of the Vehicle Code is amended to
- 2 read:
- 3 3050. The board shall do all of the following:
- 4 (a) Adopt rules and regulations in accordance with Chapter 3.5
- 5 (commencing with Section 11340) of Part 1 of Division 3 of Title



1 2 of the Government Code governing those matters that are  
2 specifically committed to its jurisdiction.

3 (b) Hear and determine, within the limitations and in  
4 accordance with the procedure provided, an appeal presented by  
5 an applicant for, or holder of, a license as a new motor vehicle  
6 dealer, manufacturer, manufacturer branch, distributor, distributor  
7 branch, or representative when the applicant or licensee submits  
8 an appeal provided for in this chapter from a decision arising out  
9 of the department.

10 (c) Consider any matter *submitted by any person* concerning  
11 the activities or practices of any person applying for or holding a  
12 license as a new motor vehicle dealer, manufacturer, manufacturer  
13 branch, distributor, distributor branch, or representative pursuant  
14 to Chapter 4 (commencing with Section 11700) of Division 5  
15 ~~submitted by any person~~. A member of the board who is a new  
16 motor vehicle dealer may not participate in, hear, comment, advise  
17 other members upon, or decide any matter considered by the board  
18 pursuant to this subdivision that involves a dispute between a  
19 franchisee and franchisor. After that consideration, the board may  
20 do any one or any combination of the following:

21 (1) Direct the department to conduct investigation of matters  
22 that the board deems reasonable, and make a written report on the  
23 results of the investigation to the board within the time specified  
24 by the board.

25 (2) Undertake to mediate, arbitrate, or otherwise resolve any  
26 honest difference of opinion or viewpoint existing between any  
27 ~~member of the public~~ *person* and any new motor vehicle dealer,  
28 manufacturer, manufacturer branch, distributor branch, or  
29 representative.

30 (3) Order the department to exercise any and all authority or  
31 power that the department may have with respect to the issuance,  
32 renewal, refusal to renew, suspension, or revocation of the license  
33 of any new motor vehicle dealer, manufacturer, manufacturer  
34 branch, distributor, distributor branch, or representative as that  
35 license is required under Chapter 4 (commencing with Section  
36 11700) of Division 5.

37 (d) Hear and decide, within the limitations and in accordance  
38 with the procedure provided, a protest presented by a franchisee  
39 pursuant to Section 3060, 3062, 3064, 3065, or 3065.1. A member  
40 of the board who is a new motor vehicle dealer may not participate



1 in, hear, comment, advise other members upon, or decide, any  
2 matter involving a protest filed pursuant to Article 4 (commencing  
3 with Section 3060), unless all parties to the protest stipulate  
4 otherwise.

5 (e) Notwithstanding subdivisions (c) and (d), the courts have  
6 jurisdiction over all common law and statutory claims originally  
7 cognizable in the courts. For those claims, a party may initiate an  
8 action directly in any court of competent jurisdiction.

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